

ANACONDA Minerals Company

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Denver, Colorado 80202  
Telephone 303 575 4119

Ben L. Odom  
Senior Vice President

October 9, 1984

The Honorable Vicenti Pedro, Sr.  
Governor, Pueblo of Laguna  
P.O. Box 194  
Laguna, New Mexico 87026

Dear Governor Pedro:

On August 3, 1983, Anaconda presented Governor Martinez of the Laguna Pueblo an offer of a cash payment to the Pueblo in return for the Pueblo assuming responsibility for reclamation of the Jackpile-Paguate mine site.

On April 10, 1984, after explaining the plan to the Tribal Council, the Council felt a deadline would be helpful, and I established a deadline of June 4, 1984, for the Pueblo to accept the offer in principle. In the following few weeks, at your request, a similar explanation of the cash offer was made by Anaconda to four of the Pueblo villages.

On May 10, 1984, Anaconda, Pueblo of Laguna staff and Council, and representatives from the U.S. Department of Interior, including Dr. Garrey Carruthers, Assistant Secretary, Land and Minerals Management, toured the mine site and reviewed Anaconda's proposed Reclamation Program. During the mine tour, and at the request of Dr. Carruthers, with the concurrence of the Pueblo, Anaconda extended the deadline of the cash offer from June 4, 1984, to September 1, 1984. This time extension was provided in order to permit the Department of Interior to review Anaconda's groundwater study, which appeared to be the main obstacle to the Department of Interior's fulfilling its trust responsibility to advise the Pueblo on Anaconda's offer. Subsequently, the results of the study were delayed, and Anaconda again extended the deadline to October 8.

At our meeting on October 1, 1984, we expected the Department of Interior to advise both parties of their recommendation as a result of the study. Although we understand the Department of Interior's USGS Water Resource Division had completed its evaluation of Anaconda's water study and found no inconsistencies, we were told the Department was not in a position to advise the Pueblo on the cash offer and would not be until the EIS process is completed to draft publication stage. Over the past several years, we have informed you on numerous occasions that it is our opinion that an EIS is not required to proceed with reclamation of the Jackpile-Paguate mine site. It now appears there has been a deliberate attempt to delay acting on Anaconda's proposal until the EIS is published.

continued ...

**FILE COPY****RECEIVED****OCT 11 1984****PUEBLO OF LAGUNA  
GOVERNOR'S OFFICE**

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files*

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The purpose of this letter is to confirm Anaconda's withdrawal of the August 1983 cash settlement offer as of October 8, 1984. This is in view of the fact that we have not received formal acceptance of this cash settlement offer or a substantial counter proposal which would indicate a genuine interest in getting on with the job of reclamation.

The expiration of this cash offer does not mean Anaconda ceases to seek an equitable solution to the reclamation of the Jackpile-Paguate mine. We are ready to participate in any discussions or activity which may bring an expeditious resolution of this problem.

Sincerely,

A handwritten signature in cursive script, appearing to read "Ben L. Odom".

Ben L. Odom  
Senior Vice President  
Operations

c: G. Carruthers  
Department of Interior